

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6616
BILL NUMBER: HB 1192

NOTE PREPARED: Dec 28, 2014
BILL AMENDED:

SUBJECT: Uninsured Motorist Damages.

FIRST AUTHOR: Rep. Mahan
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- (1) Specifies that an insurer may not pay noneconomic damages on a motor vehicle insurance claim for a loss incurred by an uninsured motorist who is at least 18 years of age.
- (2) Provides that a person who sustained bodily injury or property damage as the result of a motor vehicle accident but who was an uninsured motorist at the time of the accident may not recover noneconomic damages for the person's bodily injury or property damage from another person who was operating another motor vehicle when that other motor vehicle was involved in the accident unless a person other than the uninsured motorist is convicted of a crime in connection with the accident.

Effective Date: July 1, 2015.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* This bill may reduce civil court caseload where an uninsured party involved in an accident would otherwise receive a court hearing to recover only noneconomic damages from an offending party. Civil court cases may decrease but will depend on the number of cases in which these civil immunity provisions would apply. Actual decreases are indeterminable.

Additional Information: If there is a reduction in civil actions and court fees are collected, revenue to the state General Fund may decrease. A civil costs fee of \$100 would have been assessed when a civil case is filed, 70% of which would have been deposited in the state General Fund if the case is filed in a court of

record or 55% if the case is filed in a city or town court.

In addition, some or all of the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Revenue from the pro bono services fee (\$1) is transferred by the State Auditor to the Indiana Bar Foundation for use to assist with pro bono legal services programs in Indiana. And proceeds from the automated record keeping fee (\$5) are deposited into the State User Fee Fund.

Additional fees may have been collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures: Local courts may see a reduction in civil court caseload. Decreases are indeterminable.

Explanation of Local Revenues: *Court Fee Revenue:* If there is a reduction in the number of civil actions that occur, local governments would receive less revenue from the following sources. The county general fund would have received 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may have received 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would have been deposited in the county general fund and 25% would have been deposited in the city or town general fund. Additional fees may have been collected at the discretion of the judge and depending upon the particular type of case.

Persons filing a civil case are also required to pay the following fees that are deposited in local funds.

The document storage fee (\$2) is deposited into the clerk record perpetuation fund.

The following fees are deposited into the general fund of the county in which the court is located:

- Document fees (\$1 per document) are charged for preparing transcripts or copies of record or certificate under seal.
- A service fee (\$10) is collected from the filing party for each defendant beyond the first cited in the lawsuit.

State Agencies Affected:

Local Agencies Affected: Trial courts, city and town courts.

Information Sources:

Fiscal Analyst: Bill Brumbach, 232-9559.